

diligence procedures for opening and reviewing, on an ongoing basis, accounts of private banking customers.

"(b) MINIMUM STANDARDS.—The due diligence procedures required by paragraph (1) shall, at a minimum, ensure that the depository institution knows and verifies, through probative documentation, the identity and financial background of each private banking customer of the institution and obtains sufficient information about the source of funds of the customer to meet the anti-money laundering obligations of the institution.

"(c) COMPLIANCE REVIEW.—The appropriate Federal banking agencies shall review compliance with the requirements of this section as part of each examination of a depository institution under this Act.

"(d) REGULATIONS.—The Board of Governors of the Federal Reserve System shall, after consultation with the other appropriate Federal banking agencies, define the term 'private banking' by regulation for purposes of this section."

#### **SEC. 6. SUPPLEMENTATION OF CRIMES CONSTITUTING MONEY LAUNDERING.**

Section 1956(c)(7)(B) of title 18, United States Code, is amended—

(1) by striking clause (ii) and inserting the following:

"(ii) any conduct constituting a crime of violence;" and

(2) by adding at the end the following:

"(iv) fraud, or any scheme to defraud, committed against a foreign government or foreign governmental entity under the laws of that government or entity;

"(v) bribery of a foreign public official, or the misappropriation, theft, or embezzlement of public funds by or for the benefit of a foreign public official under the laws of the country in which the subject conduct occurred or in which the public official holds office;

"(vi) smuggling or export control violations involving munitions listed in the United States Munitions List or technologies with military applications, as defined in the Commerce Control List of the Export Administration Regulations;

"(vii) an offense with respect to which the United States would be obligated by a multilateral treaty either to extradite the alleged offender or to submit the case for prosecution, if the offender were found within the territory of the United States; or

"(viii) the misuse of funds of, or provided by, the International Monetary Fund in contravention of the Articles of Agreement of the Fund or the misuse of funds of, or provided by, any other international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) in contravention of any international treaty or other international agreement to which the United States is a party, including any articles of agreement of the members of such international financial institution;"

#### **SEC. 7. PROHIBITION ON FALSE STATEMENTS TO FINANCIAL INSTITUTIONS CONCERNING THE IDENTITY OF A CUSTOMER.**

(a) IN GENERAL.—Chapter 47 of title 18, United States Code (relating to fraud and false statements), is amended by inserting after section 1007 the following:

##### **"§ 1008. False statements concerning the identity of customers of financial institutions"**

"(a) IN GENERAL.—Whoever knowingly in any manner—

"(1) falsifies, conceals, or covers up, or attempts to falsify, conceal, or cover up, the identity of any person in connection with any transaction with a financial institution;

"(2) makes, or attempts to make, any materially false, fraudulent, or fictitious state-

ment or representation of the identity of any person in connection with a transaction with a financial institution;

"(3) makes or uses, or attempts to make or use, any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry concerning the identity of any person in connection with a transaction with a financial institution; or

"(4) uses or presents, or attempts to use or present, in connection with a transaction with a financial institution, an identification document or means of identification the possession of which is a violation of section 1028;

shall be fined under this title, imprisoned not more than 5 years, or both.

"(b) DEFINITIONS.—In this section:

"(1) FINANCIAL INSTITUTION.—In addition to the meaning given to the term 'financial institution' by section 20, the term 'financial institution' also has the meaning given to such term in section 5312(a)(2) of title 31.

"(2) IDENTIFICATION DOCUMENT AND MEANS OF IDENTIFICATION.—The terms 'identification document' and 'means of identification' have the meanings given to such terms in section 1028(d)."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TITLE 18, UNITED STATES CODE.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by striking "1014 (relating to fraudulent loan" and inserting "section 1008 (relating to false statements concerning the identity of customers of financial institutions), section 1014 (relating to fraudulent loan".

(2) TABLE OF SECTIONS.—The table of sections for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1007 the following:

"1008. False statements concerning the identity of customers of financial institutions."

#### **SEC. 8. APPROPRIATION FOR FINCEN TO IMPLEMENT SAR/CTR ALERT DATABASE.**

There is authorized to be appropriated \$1,000,000, to remain available until expended, for the Financial Crimes Enforcement Network of the Department of the Treasury to implement an automated database that will alert law enforcement officials if Currency Transaction Reports or Suspicious Activity Reports disclose patterns that may indicate illegal activity, including any instance in which multiple Currency Transaction Reports or Suspicious Activity Reports name the same individual within a prescribed period of time.

#### **SEC. 9. LONG-ARM JURISDICTION OVER FOREIGN MONEY LAUNDERERS.**

Section 1956(b) of title 18, United States Code, is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by inserting "(1)" after "(b)";

(3) by inserting ", or section 1957" after "or (a)(3)"; and

(4) by adding at the end the following:

"(2) For purposes of adjudicating an action filed or enforcing a penalty ordered under this section, the district courts shall have jurisdiction over any foreign person, including any financial institution authorized under the laws of a foreign country, that commits an offense under subsection (a) involving a financial transaction that occurs in whole or in part in the United States, if service of process upon such foreign person is made under the Federal Rules of Civil Procedure or the laws of the country in which the foreign person is found.

"(3) The court may issue a pretrial restraining order or take any other action necessary to ensure that any bank account or

other property held by the defendant in the United States is available to satisfy a judgment under this section."

#### **SEC. 10. LAUNDERING MONEY THROUGH A FOREIGN BANK.**

Section 1956(c)(6) of title 18, United States Code, is amended to read as follows:

"(6) the term 'financial institution' includes—

"(A) any financial institution described in section 5312(a)(2) of title 31, or the regulations promulgated thereunder; and

"(B) any foreign bank, as defined in section 1(b)(7) of the International Banking Act of 1978 (12 U.S.C. 3101(7))."

#### **SEC. 11. EFFECTIVE DATE.**

Except as otherwise specifically provided in this Act, this Act and the amendments made by this Act shall take effect 90 days after the date of enactment of this Act.

#### **SUMMARY OF THE MONEY LAUNDERING ABATEMENT ACT OF 1999**

A United States depository institution or a United States branch of a foreign institution could not open or maintain an account in the United States for a foreign entity unless the owner of the account was identified on a form or record maintained in the United States.

A United States depository institution or branch of a foreign institution in the United States could not maintain a correspondent account for a foreign institution unless the foreign institution was subject to comprehensive supervision or regulation.

Within 48 hours of receiving a request from a federal banking agency, a financial institution would be required to provide account information and documentation to the requesting agency.

The Secretary of the Treasury would be required to issue regulations to ensure that customer funds flowing through a concentration account (which comingles funds of an institution's customers) were earmarked to each customer.

The list of crimes that are predicates to money laundering would be broadened to include, among other things, corruption or fraud by or against a foreign government under that government's laws or the laws of the country in which the conduct occurred, and misappropriation of funds provided by the IMF or similar organizations.

Institutions that engage in private banking would be required to implement due diligence procedures encompassing verification of private banking customers' identities and source of funds.

It would be a federal crime to knowingly falsify or conceal the identity of a financial institution customer.

An appropriation would be authorized for FinCEN, which tracks reports filed by financial institutions under the Bank Secrecy Act, to establish an automated system of alerting authorities when multiple reports are filed regarding the same customer.

United States courts would be given "long-arm" jurisdiction over foreign persons and institutions that commit money laundering offenses that occur in whole or part in the United States.

The definition of money laundering in current statutes would be expanded to include laundering money through foreign banks.

#### **ADDITIONAL COSPONSORS**

S. 74

At the request of Mr. DASCHLE, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 74, a bill to amend the Fair Labor Standards Act of 1938 to provide

more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 279

At the request of Mr. CRAPO, his name was added as a cosponsor of S. 279, a bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

S. 329

At the request of Mr. ROBB, the names of the Senator from Illinois (Mr. DURBIN), the Senator from Montana (Mr. BURNS), the Senator from Nevada (Mr. REID), the Senator from California (Mrs. BOXER), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Delaware (Mr. BIDEN), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Alaska (Mr. STEVENS), the Senator from Nebraska (Mr. KERREY), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Montana (Mr. BAUCUS), the Senator from North Dakota (Mr. CONRAD), the Senator from Texas (Mrs. HUTCHISON), the Senator from Louisiana (Mr. BREAUX), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from New York (Mr. SCHUMER), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Florida (Mr. GRAHAM), the Senator from Iowa (Mr. GRASSLEY), the Senator from California (Mrs. FEINSTEIN), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Missouri (Mr. ASHCROFT), the Senator from Indiana (Mr. BAYH), the Senator from Utah (Mr. BENNETT), the Senator from Missouri (Mr. BOND), the Senator from Nevada (Mr. BRYAN), the Senator from Maine (Ms. COLLINS), the Senator from Georgia (Mr. COVERDELL), the Senator from Idaho (Mr. CRAIG), the Senator from South Dakota (Mr. DASCHLE), the Senator from Connecticut (Mr. DODD), the Senator from North Carolina (Mr. EDWARDS), the Senator from Washington (Mr. GORTON), the Senator from Utah (Mr. HATCH), the Senator from North Carolina (Mr. HELMS), the Senator from Hawaii (Mr. INOUE), the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wisconsin (Mr. KOHL), the Senator from Vermont (Mr. LEAHY), the Senator from Michigan (Mr. LEVIN), the Senator from Mississippi (Mr. LOTT), the Senator from Florida (Mr. MACK), the Senator from Maryland (Ms. MIKULSKI), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Rhode Island (Mr. REED), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Maryland (Mr. SARBANES), the Senator from Alabama (Mr. SHELBY), the Senator from New Hampshire (Mr. SMITH), the Senator from Oregon (Mr. SMITH), the Senator from Wyoming (Mr. THOMAS), the Senator from South Carolina (Mr. THURMOND), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Ohio (Mr. VOINOVICH), the Senator from

Virginia (Mr. WARNER), and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 329, a bill to amend title 38, United States Code, to extend eligibility for hospital care and medical services under chapter 17 of that title to veterans who have been awarded the Purple Heart, and for other purposes.

S. 470

At the request of Mr. L. CHAFEE, his name was added as a cosponsor of S. 470, a bill to amend the Internal Revenue Code of 1986 to allow tax-exempt private activity bonds to be issued for highway infrastructure construction.

S. 664

At the request of Mr. L. CHAFEE, his name, and the name of the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 761

At the request of Mr. ABRAHAM, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 761, a bill to regulate interstate commerce by electronic means by permitting and encouraging the continued expansion of electronic commerce through the operation of free market forces, and for other purposes.

S. 805

At the request of Mr. DURBIN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 805, a bill to amend title V of the Social Security Act to provide for the establishment and operation of asthma treatment services for children, and for other purposes.

S. 901

At the request of Mr. BINGAMAN, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 901, a bill to provide disadvantaged children with access to dental services.

S. 1120

At the request of Mr. REED, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1120, a bill to ensure that children enrolled in medicaid and other Federal means-tested programs at highest risk for lead poisoning are identified and treated, and for other purposes.

S. 1272

At the request of Mr. NICKLES, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1272, a bill to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes.

S. 1332

At the request of Mr. BAYH, the names of the Senator from New York

(Mr. MOYNIHAN), the Senator from Minnesota (Mr. WELLSTONE), the Senator from Louisiana (Mr. BREAUX), the Senator from Mississippi (Mr. COCHRAN), the Senator from Delaware (Mr. ROTH), the Senator from Hawaii (Mr. AKAKA), the Senator from Idaho (Mr. CRAPO), the Senator from Delaware (Mr. BIDEN), the Senator from Montana (Mr. BAUCUS), the Senator from Nevada (Mr. REID), the Senator from New Hampshire (Mr. GREGG), the Senator from Nevada (Mr. BRYAN), the Senator from West Virginia (Mr. BYRD), and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of S. 1332, a bill to authorize the President to award a gold medal on behalf of Congress to Father Theodore M. Hesburg, in recognition of his outstanding and enduring contributions to civil rights, higher education, the Catholic Church, the Nation, and the global community.

S. 1369

At the request of Mr. JEFFORDS, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1369, a bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes.

S. 1378

At the request of Mr. VOINOVICH, the names of the Senator from Mississippi (Mr. LOTT), the Senator from Missouri (Mr. BOND), and the Senator from Michigan (Mr. ABRAHAM) were added as cosponsors of S. 1378, a bill to amend chapter 35 of title 44, United States Code, for the purposes of facilitating compliance by small businesses with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, and for other purposes.

S. 1443

At the request of Mr. HARKIN, the names of the Senator from South Dakota (Mr. DASCHLE), and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 1443, a bill to amend section 10102 of the Elementary and Secondary Education Act of 1965 regarding elementary school and secondary school counseling.

S. 1452

At the request of Mr. SHELBY, the names of the Senator from Alabama (Mr. SESSIONS) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. 1452, a bill to modernize the requirements under the National Manufactured Housing Construction and Safety Standards of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

S. 1511

At the request of Mr. HARKIN, the name of the Senator from Minnesota

(Mr. WELLSTONE) was added as a cosponsor of S. 1511, a bill to provide for education infrastructure improvement, and for other purposes.

S. 1563

At the request of Mr. ABRAHAM, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1563, a bill to establish the Immigration Affairs Agency within the Department of Justice, and for other purposes.

S. 1590

At the request of Mr. CRAPO, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1590, a bill to amend title 49, United States Code, to modify the authority of the Surface Transportation Board, and for other purposes.

S. 1642

At the request of Mr. COCHRAN, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 1642, a bill to amend part F of title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes.

S. 1666

At the request of Mr. LUGAR, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1666, a bill to provide risk education assistance to agricultural producers, and for other purposes.

S. 1693

At the request of Mr. GRAMS, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 1693, a bill to protect the Social Security surplus by requiring a sequester to eliminate any deficit.

S. 1701

At the request of Mr. SESSIONS, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 1701, A bill to reform civil asset forfeiture, and for other purposes.

S. 1738

At the request of Mr. JOHNSON, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 1738, a bill to amend the Packers and Stockyards Act, 1921, to make it unlawful for a packer to own, feed, or control livestock intended for slaughter.

S. 1862

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 1862, a bill entitled "Vermont Infrastructure Bank Program."

S. 1867

At the request of Mr. ROBB, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 1867, a bill to amend the Internal Revenue Code of 1986 to provide a tax reduction for small businesses, and for other purposes.

S. 1883

At the request of Mr. BINGAMAN, the name of the Senator from South Carolina (Mr. THURMOND) was added as a co-

sponsor of S. 1883, a bill to amend title 5, United States Code, to eliminate an inequity on the applicability of early retirement eligibility requirements to military reserve technicians.

S. 1896

At the request of Mr. LEAHY, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1896, a bill to amend the Public Buildings Act of 1959 to give first priority to the location of Federal facilities in central business areas, and for other purposes.

SENATE RESOLUTION 108

At the request of Mr. BREAUX, the names of the Senator from Ohio (Mr. VOINOVICH), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. DODD), the Senator from California (Mrs. FEINSTEIN), the Senator from Washington (Mr. GORTON), the Senator from Ohio (Mr. DEWINE), the Senator from Idaho (Mr. CRAPO), the Senator from Illinois (Mr. DURBIN), the Senator from Missouri (Mr. ASHCROFT) and the Senator from Michigan (Mr. ABRAHAM) were added as cosponsors of Senate Resolution 108, a resolution designating the month of March each year as "National Colorectal Cancer Awareness Month."

SENATE RESOLUTION 128

At the request of Mr. COCHRAN, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of Senate Resolution 128, a resolution designating March 2000, as "Arts Education Month."

SENATE RESOLUTION 216

At the request of Mr. CAMPBELL, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of Senate Resolution 216, a resolution designating the Month of November 1999 as "National American Indian Heritage Month."

At the request of Mr. CHAFEE, his name was added as a cosponsor of Senate Resolution 216, *supra*.

SENATE RESOLUTION 217

At the request of Mr. HUTCHINSON, the names of the Senator from Wisconsin (Mr. FEINGOLD) and the Senator from Florida (Mr. MACK) were added as cosponsors of Senate Resolution 217, a resolution relating to the freedom of belief, expression, and association in the People's Republic of China.

SENATE RESOLUTION 220

At the request of Mr. INHOFE, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of Senate Resolution 220, a resolution expressing the sense of the Senate regarding the February 2000 deployment of the U.S.S. Eisenhower Battle Group and the 24th Marine Expeditionary Unit to an area of potential hostilities and the essential requirements that the battle group and expeditionary unit have received the essential training needed to certify the warfighting proficiency of the forces comprising the battle group and expeditionary unit.

SENATE RESOLUTION 223

At the request of Mr. HELMS, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of Senate Resolution 223, a resolution condemning the violence in Chechnya.

SENATE RESOLUTION 224

At the request of Mr. CLELAND, the names of the Senator from Virginia (Mr. WARNER), the Senator from Oklahoma (Mr. INHOFE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of Senate Resolution 224, a resolution expressing the sense of the Senate to designate November 11, 1999, as a special day for recognizing the members of the Armed Forces and the civilian employees of the United States who participated in the recent conflict in Kosovo and the Balkans.

SENATE RESOLUTION 227

At the request of Mr. BOND, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Mississippi (Mr. LOTT), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of Senate Resolution 227, a resolution expressing the sense of the Senate in appreciation of the National Committee for Employer Support of the Guard and Reserve.

At the request of Mr. BRYAN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of Senate Resolution 227, *supra*.

AMENDMENT NO. 2515

At the request of Mr. LEAHY his name was added as a cosponsor of Amendment No. 2515 proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.

AMENDMENT NO. 2516

At the request of Mr. KOHL the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of Amendment No. 2516 proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.

AMENDMENT NO. 2650

At the request of Mr. SESSIONS his name was added as a cosponsor of Amendment No. 2650 proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.

AMENDMENT NO. 2771

At the request of Mr. HATCH the names of the Senator from North Carolina (Mr. HELMS) and the Senator from Colorado (Mr. ALLARD) were added as cosponsors of Amendment No. 2771 proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.